UNDP

UNITED NATIONS
DEVELOPMENT
PROGRAMME

Distr.
RESTRICTED*

DP/GC/CUB/R.3/RECOMMENDATION
23 March 1981
ENGLISH
ORIGINAL: SPANISH

GOVERNING COUNCIL
Twenty-eighth session
June 1981
Agenda item 6

Country and intercountry programming and projects

PROGRAMME OF THE GOVERNMENT OF CUBA

Note by the Administrator

Programme period	IPF for 1982-1986
1982-1986	$20.5 million

I. Nature of the programming exercise

1. The third country programme for Cuba covers the period 1982-1986. The National Commission for Economic Co-operation (CECE), the administrative body for all technical co-operation received and offered by the Republic of Cuba, prepared the programme in close collaboration with the Central Planning Board, the National Academy of Sciences and the various ministries and technical departments of the Cuban Government, and with aid and support from the United Nations Development Programme (UNDP) office in Cuba.

EMBARGO:

NOT FOR PUBLICATION UNTIL FORMALLY APPROVED BY THE GOVERNING COUNCIL

* This document will cease to be restricted when the country programme is approved. See document DP/526, due for publication in June 1981.

2. The programming work took a year, from the beginning of 1980 to early 1981. The first stage in the exercise consisted of a detailed evaluation of how the second country programme was carried out, undertaken in conjunction with the UNDP office and CECE. The purpose of the evaluation was to look into the execution of the programme in depth and reach conclusions of particular value and relevance for the formulation and eventual execution of the third country programme.

3. Based on this evaluation, the Resident Representative submitted a note to the Government containing recommendations as to the possible thrust of the national programme. Because of the large amount of work that the Government had put into preparing the National Plan for economic and social development for 1981-1985 and identifying the over-all amount of external assistance needed to provide specific support for the new Plan over the medium term, the authorities saw no need to request assistance for sectoral analyses from United Nations agencies. Even so, the agencies with direct representation in Cuba (the Food and Agriculture Organization of the United Nations (FAO), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the World Health Organization (WHO)), were invited to take part in formulating the programme. These agencies, and others without offices in Cuba, made some very worth-while suggestions. As for participation by other multilateral and bilateral sources of assistance in the programming exercise, the Government co-ordinated its efforts directly with them so as to ensure maximum complementarity between their programmes and the UNDP country programme.

II. Relation of the country programme to the goals of national development

4. Development plans in Cuba, a country with a centrally planned economy, allot proposals for international technical co-operation a clearly defined role. Specifically, the National Plan for economic and social development for 1981-1985 lays down, for the purposes of the medium term, basic considerations governing the manner in which international co-operation programmes, including the UNDP country programme, have been drawn up and are executed.

5. The National Plan, in turn, forms a part of the Strategy for Economic and Social Development up to the year 2000 which Cuba is evolving; according to the Strategy, the completion of the construction of the technical-material base for socialism by means of industrialization and a sustained increase in the efficiency of national production is the prime objective. The aim in the long term is for the economy to evolve progressively towards a rational production structure permitting sustained major improvement, developing specialization, co-operation, and internal and external economic integration.

6. In general terms, the National Plan calls for solid progress towards industrialization and the efficient placement of basic investments (the special importance of the sugar cane and derivatives industry should be stressed here); encouragement of the move towards co-operative ventures in the field; enhanced education at all levels; a higher degree of training for administrative employees

throughout the nation; the consolidation of the economic management and planning system; the encouragement of blue- and white-collar-worker organization; increased economic efficiency and the introduction of a savings policy; expanded international economic relations; a continuing rise in the standard of living for the people and the consolidation of the institutions of socialist society.

7. These general goals are then elaborated in specific objectives such as the consolidation, stabilization and development of sugar industry production, as the fundamental source of exports over the five-year period; added electricity generating capacity; greater volume and variety of other exports, at levels exceeding imports; a consolidation of farm production; a policy of developing basic lines of produce as food for the population at large and giving special backing to locally consumed produce in rural enterprises; creating the means of raising the proportion of national produce used in animal feed; and boosting the import substitution policy by raising the production of lines with expansion potential over the five-year period. The plan also includes social objectives relating to housing construction and increased health care, education and various other services for the population at large.

8. It should be pointed out that such basic needs as promoting the role of women in the development process, and economic co-operation among developing countries, which are regarded so highly by the United Nations system, are considered priority objectives by the Cuban Government, which assigns substantial resources to them since UNDP provides no specific assistance for this purpose.

III. Country programme content and breakdown

9. Taking into account the Government's goals as mentioned above, UNDP assistance under the third country programme will be made available through projects in the following areas:

(a) Development planning and policy: (i) New projects: information centre on international economic relations;

(b) Natural resources: (i) Ongoing projects: marine pollution; (ii) new projects: solar energy, pilot metallic and non-metallic minerals plant;

(c) Agriculture, livestock, forestry and fisheries: (i) Ongoing projects: irrigation and drainage; (ii) new projects: development of breeding techniques for aquatic organisms (aquaculture); development and improvement of drought-resistant varieties of sugar cane; development unit for drainage, pastureland and fodder;

(d) Industry: (i) Ongoing projects: Bagasse research centre; industrial sugar fermentation; hotels and tourism, laterites; catalysis and adsorption; (ii) new projects: mouldable bagasse elements (sheets); tropical corrosion prevention; development of the furfural industry; agro-industrial development; container and packing centre· pharmaceutical industry development centre; pilot pesticides plant; industrial design institute;

(e) Transport and communications: (i) Ongoing projects: maritime port information system; telecommunications;

(f) Health: (i) Ongoing projects: production of biologicals, child development;

(g) Education: (i) Ongoing projects: equipment for pre-university centres or standard secondary schools in the field; educational development; (ii) new projects: support for manpower training in the mining and steel industry/machinery sectors;

(h) Culture: (i) New projects: centre for the restoration of old Havana;

(i) Science and technology: (i) Ongoing projects: nuclear technology; technical co-operation among developing countries (TCDC); (ii) new projects: electronic calculating development centre.

10. Regarding the substance of the proposed programme, the main area on which UNDP activities will focus is the strengthening of the scientific and technological basis of the Cuban economy, through assistance for the development of local technological products and processes.

11. Within this general scheme, the priority areas for UNDP assistance are: mineral processing (two projects, with a UNDP contribution of $3,823,000); support for industrial development (10 projects, with a UNDP contribution of $3,031,000); support for the sugar and cane derivatives industry (four projects, with a UNDP contribution of $2,050,000); support for the farming sector (five projects, with a UNDP contribution of $1,640,000); support for the transport and communications sector (two projects, with a UNDP contribution of $1 million) and support for scientific training (two projects, with a UNDP contribution of $1 million).

12. The third country programme includes 34 projects, 16 of them already under way. Of these, 7 represent reschedulings of project implementation to the new programme period, and 9 have to do with the expansion or second stage of projects begun during the second programming period. There are 18 new projects.

13. In drawing up this third programme for Cuba, it was agreed that the proportion of resources to be spent on equipment should be reduced from the 77 per cent allotted during the second programming cycle to 60 per cent for the third. As a result, advisory and training activities will be reinforced.

14. The Government will continue to play a key role in the execution of the projects, with Cuban officials taking charge of technical project management, while the executing agencies will remain responsible for administering external resources.

15. The breakdown by sector of the resources programmed and the different elements of the country programme are set out in the following tables:

Table 1

Sectoral breakdown of programmed resources

	Ongoing projects		New projects		Total	
	Value	Per cent	Value	Per cent	Value	Per cent
	(thousands of dollars)					
Development plan and policies	-	-	150	1.6	150	0.9
Natural resources	650	9.3	1 400	14.9	2 050	12.50
Agriculture, livestock, forestry and fisheries	100	1.5	1 540	16.4	1 640	10.0
Industry	4 175	59.8	3 600	38.2	7 775	47.4
Transport and communications	1 000	14.3	-	-	1 000	6.1
Health	142	2.0	-	-	142	0.9
Education	189	2.7	1 000	10.6	1 189	7.2
Culture	-	-	500	5.3	500	3.0
Science and technology	727	10.4	300	3.2	1 027	6.3
Reserve			927	9.8	927	5.7
TOTAL	6 983	100.0	9 417	100.0	16 400	100.0

Table 2

Country programme - yearly budget

A. Programmed amounts

Year	$000
1982	2 846
1983	2 910
1984	3 075
1985	3 239
1986	3 403
Reserve	927
Total	16 400

B. Resources taken into account for programming

Available funds:	$000
(a) Available IPF funds	
(i) Funds saved from the 1977-1981 IPF	- a/
(ii) Funds from the 1982-1986 IPF	16 400
Total available from IPF	16 400
(b) Other funds under UNDP responsibility	-
Total available for programming	16 400

C. Use of IPF funds

(a) Ongoing projects	6 983
(b) New projects	8 490
(c) Reserve	927
Total programmed	16 400

a/ This sum represents the IPF for 1982-1986 less 20 per cent.

Projects have also been programmed against the sum remaining from the IPF minus the total amount actually available (annex I, table C of the programme).

IV. Recommendation of the Administrator

16. In the light of the views expressed above, the Administrator recommends that the Governing Council:

(a) Approve the proposed UNDP country programme for Cuba within the limits of its IPF for 1982-1986, taking into account the balance of over-expenditure or under-expenditure of its 1977-1981 IPF;

(b) Authorize the Administrator to proceed with appraisal and approval action on requests for assistance falling within the outlines of the programme, while ensuring, in accordance with the decision of the Council (E/5543/Rev.1, para. 31), that expenditures are kept in reasonable conformity with the relevant indicative planning figures and are in any case contained within the financial resources available at any given time.